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DEPARTMENT OF COMMERCE

International Trade Administration

[A-441-801]

Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from Switzerland: Amended Preliminary Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) is amending the preliminary determination of sales at less than fair value (LTFV) in the antidumping duty investigation of certain cold-drawn mechanical tubing of carbon and alloy steel (cold-drawn mechanical tubing) from Switzerland to correct significant ministerial errors alleged by each of the mandatory respondents in this proceeding.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.]

FOR FURTHER INFORMATION CONTACT: Laurel LaCivita, AD/CVD Operations, Office III, and Amanda Brings, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4243 or (202) 482-3927, respectively.

SUPPLEMENTARY INFORMATION:

Background

On November 22, 2017, Commerce published in the *Federal Register* the *Preliminary Determination* that cold-drawn mechanical tubing from Switzerland is being, or is likely to be, sold in the United States at LTFV, as provided in section 733 of the Tariff Act of 1930, as

amended (Act).¹ On November 22, 2017, and December 7, 2017, Benteler Rothrist AG (Benteler Rothrist) and Mubea Präzisionsstahlrohr AG and Mubea Inc. (collectively, Mubea), respectively, alleged that Commerce made significant ministerial errors in the *Preliminary Determination*.²

Period of Investigation

The period of investigation (POI) is April 1, 2016, through March 31, 2017.

Scope of Investigation

The product covered by this investigation is cold-drawn mechanical tubing from Switzerland. Since the publication of the *Preliminary Determination*, Commerce has evaluated relevant comments on the scope of the investigation and issued its Final Scope Determination.³ For a complete description of the final scope of this investigation, *see* Appendix.

Analysis of Significant Ministerial Error Allegations

Commerce will analyze any comments received and, if appropriate, correct any significant ministerial error by amending the preliminary determination according to 19 CFR 351.351.224(e). A ministerial error is defined in 19 CFR 351.224(f) as “an error in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary

¹ See *Cold-Drawn Mechanical Tubing from Switzerland: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Postponement of Final Determination, and Extension of Provisional Measures*, 82 FR 55571 (November 22, 2017) (*Preliminary Determination*).

² See Benteler Rothrist’s letter, “Antidumping Duty Investigation of Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from Switzerland: Ministerial Error Comments for the Preliminary Determination,” dated November 22, 2017 (“Benteler Rothrist’s Ministerial Error Allegation”); and Mubea’s letter, “Antidumping Investigation of Certain Cold-Drawn Mechanical Tubing from Switzerland: Resubmitted Ministerial Error Comments for the Preliminary Determination,” December 7, 2017 (Mubea’s Ministerial Error Allegation).

³ See Commerce’s Memorandum, “Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from the Federal Republic of Germany, India, Italy, the Republic of Korea, the People’s Republic of China, and Switzerland: Scope Comments Decision Memorandum for the Final Determinations,” dated December 4, 2017.

considers ministerial.”⁴ A significant ministerial error is defined as a ministerial error, the correction of which, singly or in combination with other errors, would result in: (1) a change of at least five absolute percentage points in, but not less than 25 percent of, the weighted-average dumping margin calculated in the original (erroneous) preliminary determination; or (2) a difference between a weighted-average dumping margin of zero or *de minimis* and a weighted-average dumping margin of greater than *de minimis* or vice versa.⁵ As a result of this amended preliminary determination, we have revised the margins applicable to Benteler Rothrist, Mubea and all others.⁶

Commerce reviewed the record with respect to the respondents’ claims.⁷ Though we determine that Benteler Rothrist’s allegation regarding the inclusion of sample sales in the U.S. and third country databases represents a methodological disagreement rather than a clerical error, we agree that all other alleged errors constitute unintentional errors consistent with the definition of ministerial errors in 19 CFR 351.224(f).⁸ Pursuant to 19 CFR 351.224(g)(2), these errors are significant because their correction results in a change of at least five absolute percentage points in, but not less than 25 percent of, the weighted-average dumping margin calculated in the original preliminary determination (*i.e.*, a decrease in the weighted-average dumping margin from 34.15 percent to 23.33 percent for Benteler Rothrist, and from 68.59 percent to 36.48 percent for Mubea, and a decrease in the all-others rate from 36.17 to 24.10 percent).⁹

⁴ See section 735(e) of the Act.

⁵ See 19 CFR 351.224(g).

⁶ See the “Amended Preliminary Determination” section below.

⁷ See the Commerce’s memorandum, “Antidumping Duty Investigation of Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from Switzerland: Ministerial Error Allegations in the Preliminary Determination,” dated concurrently with this notice.

⁸ *Id.*

⁹ *Id.* See also memorandum to the file, “Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel from Switzerland: Calculation of the All-Others Rate in the Amended Preliminary Determination,” dated concurrently with this notice; memorandum to the file, “Analysis Memorandum for the Amended Preliminary Determination of the Antidumping Duty Investigation of Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel (Cold-

Therefore, we are correcting these errors and amending our preliminary determination accordingly.

Amended Preliminary Determination

As a result of this amended preliminary determination, we have revised the preliminary estimated weighted-average dumping margins as follows:

Exporter/Producer	Estimated Weighted-Average Dumping Margins (Percent)
Benteler Rothrist AG (Benteler Rothrist)	23.33
Mubea Präzisionsstahlrohr AG (MPST)	36.48
All Others	24.10

Amended Cash Deposits and Suspension of Liquidation

The collection of cash deposits and suspension of liquidation will be revised to the rates established in this amended preliminary determination, in accordance with section 733(d) and (f) of the Act and 19 CFR 351.224. Because the corrected margins are lower than the rates issued in the *Preliminary Determination*, the amended cash deposit rates will be effective retroactively to November 22, 2017, the date of publication of the *Preliminary Determination*.

Disclosure

We intend to disclose the calculations performed to parties in this proceeding within five days after publication of the notice of amended preliminary determination in the *Federal Register* in accordance with 19 CFR 351.224(b).

Drawn Mechanical Tubing) from Switzerland: Benteler Rothrist AG,” dated concurrently with this memorandum; and memorandum to the file, “Analysis Memorandum for the Amended Preliminary Determination of the Antidumping Duty Investigation of Certain Cold-Drawn Mechanical Tubing of Carbon and Alloy Steel (Cold-Drawn Mechanical Tubing) from Switzerland: Mubea Präzisionsstahlrohr AG (MPST) and Mubea Inc. (collectively, Mubea),” dated concurrently with this memorandum.

International Trade Commission Notification

In accordance with section 733(f) of the Act, we notified the International Trade Commission of our amended preliminary determination.

This amended preliminary determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.224(e).

Dated: December 21, 2017.

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

Appendix

Scope of the Investigation

The scope of this investigation covers cold-drawn mechanical tubing of carbon and alloy steel (cold-drawn mechanical tubing) of circular cross-section, 304.8 mm or more in length, in actual outside diameters less than 331mm, and regardless of wall thickness, surface finish, end finish or industry specification. The subject cold-drawn mechanical tubing is a tubular product with a circular cross-sectional shape that has been cold-drawn or otherwise cold-finished after the initial tube formation in a manner that involves a change in the diameter or wall thickness of the tubing, or both. The subject cold-drawn mechanical tubing may be produced from either welded (e.g., electric resistance welded, continuous welded, etc.) or seamless (e.g., pierced, pilgered or extruded, etc.) carbon or alloy steel tubular products. It may also be heat treated after cold working. Such heat treatments may include, but are not limited to, annealing, normalizing, quenching and tempering, stress relieving or finish annealing. Typical cold-drawing methods for subject merchandise include, but are not limited to, drawing over mandrel, rod drawing, plug drawing, sink drawing and similar processes that involve reducing the outside diameter of the tubing with a die or similar device, whether or not controlling the inside diameter of the tubing with an internal support device such as a mandrel, rod, plug or similar device. Other cold-finishing operations that may be used to produce subject merchandise include cold-rolling and cold-sizing the tubing.

Subject cold-drawn mechanical tubing is typically certified to meet industry specifications for cold-drawn tubing including but not limited to:

(1) American Society for Testing and Materials (ASTM) or American Society of Mechanical Engineers (ASME) specifications ASTM A-512, ASTM A-513 Type 3 (ASME SA513 Type 3), ASTM A-513 Type 4 (ASME SA513 Type 4), ASTM A-513 Type 5 (ASME SA513 Type 5), ASTM A-513 Type 6 (ASME SA513 Type 6), ASTM A-519 (cold-finished);

(2) SAE International (Society of Automotive Engineers) specifications SAE J524, SAE J525, SAE J2833, SAE J2614, SAE J2467, SAE J2435, SAE J2613;

(3) Aerospace Material Specification (AMS) AMS T-6736 (AMS 6736), AMS 6371, AMS 5050, AMS 5075, AMS 5062, AMS 6360, AMS 6361, AMS 6362, AMS 6371, AMS 6372, AMS 6374, AMS 6381, AMS 6415;

(4) United States Military Standards (MIL) MIL-T-5066 and MIL-T-6736;

(5) foreign standards equivalent to one of the previously listed ASTM, ASME, SAE, AMS or MIL specifications including but not limited to:

(a) German Institute for Standardization (DIN) specifications DIN 2391-2, DIN 2393-2, DIN 2394-2);

(b) European Standards (EN) EN 10305-1, EN 10305-2, EN 10305-4, EN 10305-6 and European national variations on those standards (e.g., British Standard (BS EN), Irish Standard (IS EN) and German Standard (DIN EN) variations, etc.);

(c) Japanese Industrial Standard (JIS) JIS G 3441 and JIS G 3445; and

(6) proprietary standards that are based on one of the above-listed standards.

The subject cold-drawn mechanical tubing may also be dual or multiple certified to more than one standard. Pipe that is multiple certified as cold-drawn mechanical tubing and to other specifications not covered by this scope, is also covered by the scope of this investigation when it meets the physical description set forth above.

Steel products included in the scope of this investigation are products in which: (1) iron predominates, by weight, over each of the other contained elements; and (2) the carbon content is 2 percent or less by weight.

For purposes of this scope, the place of cold-drawing determines the country of origin of the subject merchandise. Subject merchandise that is subject to minor working in a third country that occurs after drawing in one of the subject countries including, but not limited to, heat treatment, cutting to length, straightening, nondestructive testing, deburring or chamfering, remains within the scope of this investigation.

All products that meet the written physical description are within the scope of this investigation unless specifically excluded or covered by the scope of an existing order. Merchandise that meets the physical description of cold-drawn mechanical tubing above is within the scope of the

investigation even if it is also dual or multiple certified to an otherwise excluded specification listed below. The following products are outside of, and/or specifically excluded from, the scope of this investigation:

(1) cold-drawn stainless steel tubing, containing 10.5 percent or more of chromium by weight and not more than 1.2 percent of carbon by weight;

(2) products certified to one or more of the ASTM, ASME or American Petroleum Institute (API) specifications listed below:

- ASTM A-53;
- ASTM A-106;
- ASTM A-179 (ASME SA 179);
- ASTM A-192 (ASME SA 192);
- ASTM A-209 (ASME SA 209);
- ASTM A-210 (ASME SA 210);
- ASTM A-213 (ASME SA 213);
- ASTM A-334 (ASME SA 334);
- ASTM A-423 (ASME SA 423);
- ASTM A-498;
- ASTM A-496 (ASME SA 496);
- ASTM A-199;
- ASTM A-500;
- ASTM A-556;
- ASTM A-565;
- API 5L; and
- API 5CT

except that any cold-drawn tubing product certified to one of the above excluded specifications will not be excluded from the scope if it is also dual- or multiple-certified to any other specification that otherwise would fall within the scope of this investigation.

The products subject to the investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.31.3000, 7304.31.6050, 7304.51.1000, 7304.51.5005, 7304.51.5060, 7306.30.5015, 7306.30.5020, 7306.50.5030. Subject merchandise may also enter under numbers 7306.30.1000 and 7306.50.1000. The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigation is dispositive.
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